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Cartwright, George Wilder

The world's greatest blunder

Philadelphia

c1921

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# The World's Greatest Blunder

308
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Box 152

An Address by Former

Senator George W. Cartwright

OF CALIFORNIA

Delivered at the Convention

NATIONAL ASSOCIATION OF SHEET METAL CONTRACTORS

National Assn. of Sheet Metal Contractors
608 Chestnut Street, Philadelphia, Pa.

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President N. M. Butler
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GEORGE WILDER CARTWRIGHT
Author of
"Mutual Interests of Labor and Capital"

Feb 19, 1924

## *Senator Cartwright's Message*

MY FRIENDS, I am very glad that the chairman did not go into my back political history, nor tell you anything about my activities in the past. There is only one thing I am proud of in that history of eighteen years of political activity, and that is that the last time I was elected, I declined to run again. I retired; they did not retire me; and so I can boast that I quit before they got my scalp. (applause) I quit politics as I quit the practice of law, as I retired from the presidency of an insurance company, because I believe there is something more important in the world than making money. (applause) For the past nine years I have been doing just what I have been doing today, talking on the great problems of the world to every man that I could get to stand still long enough to listen.

The world has made some frightful blunders, but I believe its greatest blunder is the one I am going to discuss this morning.

### *AGITATORS*

I sat in the Coliseum in the city of Chicago two years ago last March when the Bolshevik candidate for mayor was making his speech in that great auditorium crowded with people, with hundreds more outside, unable to obtain admittance. He was followed by another Bolshevik, and finally by Rose Pastor Stokes. For two hours and a half I heard them tearing the Constitution of the United States to tatters, holding it up as a signed and sealed bond of our slavery. I heard them hold up the Declaration of

INTENTIONAL SECOND EXPOSURE

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Independence as a cheat upon civilization. I heard them malign the characters and question the integrity of the founders of this Republic. Every utterance for two hours and a half was treasonable, and the more treasonable the utterance the louder and more prolonged the applause. Time after time Rose Pastor Stokes extended her arms dramatically and said:

"We want everything in America just as it is in Russia."

### *FREE SPEECH*

Nobody was arrested. We have a law in the city of Los Angeles, where I live, that enables us to arrest a man who spits on the sidewalk, but there is no law to keep a man from spitting on the Constitution of the United States. We have a law that keeps men from disseminating poison that might destroy the body, but we have no laws, except in a few states, and they are insufficient, to prevent men from sowing poison in the souls and hearts of men, poison that destroys their patriotism. We have even reached the point where a man cannot get a good drink of whiskey, and yet we let this poison go on and on that tears the very soul and heart out of American patriotism. (applause)

I left the city of Chicago and went to New York, and through the courtesy of one of the men of the Department of Justice I managed to gain admittance to the Lyceum at 69 East 4th St., where Kirkpatrick, the New York firebrand, was addressing something like 1,000 Russian Jews—and I say that with apologies to the Russians and apologies to the Jews. For an hour and a quarter he held them spellbound, swaying like drunken men and women, under the magic spell of his eloquence, preaching the



same doctrine advocated by every incendiary, that the time was about at hand when we should haul down the American flag and put up the Red flag. At one time in the course of his speech he lowered his voice dramatically and said:

"The problem before us is a simple one, the question is whether we who have been robbed shall seize the reins of government, or whether those who have robbed us shall continue to rule."

### *RED HENRY*

A few months later I stood on the corner of Second and Los Angeles Sts. and heard a man named Henry, another typical Red, the firebrand of Los Angeles. I went there for the express purpose of listening to his speeches to the workingmen. He stood on the curb and something like 200 workingmen were standing in the street. In the front ranks of these workingmen I saw a very tall man, so tall that he attracted my attention when I first joined the group. Henry talked to these men about the working class and their downtrodden condition, about the arrogance of the capitalistic class and about the ruling class of America until he had them all seeing red. After he had wrought them up to a proper pitch of discontent, and resentment, to a point where they would have been willing to follow the Red flag, if some one had raised it, he turned to this tall man in the front rank and said:

"How old are you?" The tall man said: "I am 45." "How many children have you?" "Five." "How long have you been working for wages?" "All my life." "How much have you saved up?" "Nothing." "How long are you going to be a d—— fool?"

The tall man assumed an attitude of belligerency, as if he had been offended and said:

"What do you mean?" Then Henry said: "Hasn't your employer a bank account?" "Yes, Sir." "Have you a bank account?" "No, Sir." "Has your employer an automobile?" "Yes, Sir." "Have you an automobile?" "No, Sir." "Does your employer produce anything? Don't you produce everything with that muscle of yours? You produce it and he takes it away from you. He has been robbing you just as the employers of these other men have been robbing them. Follow us and we will get you what you produce. Then you will have a bank account and the automobile and your employer will have to earn an honest living."

Then Henry turned dramatically to the 200 men and said:

"What right has any man to make a profit out of another man's humble toil?"

### *PAID ORATORS*

Now, Business Men of America, I am informed by the manager of the Better American Federation of California, who made a careful and extended survey of the cities of this country last year, that there are not less than 25,000 paid orators preaching that kind of doctrine daily and nightly in the United States. You may think your country is safe, but I tell you this country is not safe. They have been preaching that kind of doctrine for years. I heard it the first time about twelve years ago, at the corner of Stockton and O'Farrell Sts., in the city of San Francisco. I have heard hundreds of similar speeches since that time, and if you think that they are not having a damnable effect upon the minds and hearts of the working men of this country, it is because you have not seen the blanched cheek, the kindling eye, the trembling lip that I have seen. These men have a marvellous eloquence. They are trained in schools to go out and preach the doctrine of Socialism. The leaders select men of splendid stage presence. They select men with splendid voices and fine delivery. They are men who are endowed with that peculiar kind of eloquence that we attribute to Webster, to Patrick Henry, to James Otis, the kind that instils into the spirit the sweet madness of battle, the kind that makes men want to kill. Yet we sit peacefully in our offices, smug in our bank accounts, polishing the seat of an office chair. These arguments have gone unchallenged.

Unless the American business man wakes up to a keener appreciation of his civic duty, his duty to himself, to his country, and to his family, unless he takes part in a great nation-wide educational movement, long continued, well directed, intelligently formulated, to meet these false arguments, no man can afford to give a bond for the security of the future. Russia has already gone by the board. How long will it take her to get back? No man knows. Maxim Gorky, after the Bolshevists had first taken possession of Russia, exclaimed: "We are reaching the beginning of the end; civilization is crumbling; man is once more going back to the jungle!" I do not believe it, but I do believe that America, the last citadel of civilization, must be preserved to save the day. (applause)

In the city of Philadelphia there is a national institution that is important to you. It is the American Educational Association. They are conducting an educational program that means much to you and to me and to every other man who would guard civilization and the government of our fathers. They are today reaching more than 3,000,000 men weekly in their homes with literature

simply written, easily understood, splendidly set out with a punch. It is the only literature in the United States that points the way for us to get ahead as individuals according to our abilities.

The only trouble with us here in America is that we have allowed them to sell Communism, Socialism and I. W. W.-ism, and all the "isms" and the schisms that spring from the diseased minds of social Europe, but nobody has thought about selling Americanism. The American Educational Association is scoring an ever increasing success in that field.

### *FIRST BLUNDER*

The first great blunder of the world was made when we started to solve our problems by force. Our problems cannot be solved by force. Our social and industrial problems cannot be solved with our bile, our gall, our prejudice and our sympathy; they must be solved in the forum of reason. The Almighty placed the brain at the top of the body, expecting it to oversee and direct every movement, but we have chosen in all social matters to be guided by our sympathy and our spleen. We began to fight out the problems of the world when Cain killed Abel, and we have been fighting fools from that day to this. Today the one great problem of the world is the problem of the relation of employer to employe, so often quite mistakenly called the problem of labor and capital. We have been trying to solve that great problem by force.

### *HOSTILE CAMPS*

On the one side we find the employers organized into employers' associations of various names, and however beautifully they may write out their by-laws, constitutions and purposes, the real purpose at the bottom of the organization is to fight labor, as they put it, to protect themselves from further onslaught. They are organized in a hostile camp to fight.

On the other side we find the laboring men of the country, usually under misguided leadership, organized in a hostile camp. I do not care how they word their by-laws and their constitution, the underlying purpose in that organization is to fight employers.

### *THOMAS A. EDISON*

Can the world never be brought to see the great truth that was expressed by Thomas A. Edison when I spoke to his 7000 men last Fall, out at West Orange, New Jersey? After the meeting was over I looked into his face for the first time. For the first time in my life I saw that grand old man, the wizard of the ages in invention, and he said: "Can't the world be brought to see that labor and capital are like the clock and the pendulum? The pendulum cannot work without the clock, and the clock cannot work without the pendulum. If the clock hurts the pendulum it stops the clock, and if the pendulum hurts the clock, it stops the pendulum; they must work in harmony with each other. There should be no friction, for whatever hurts either hurts both." And yet we find labor and capital, so-called, arrayed in hostile camps, attempting to damage each other. Suppose that employers should succeed in perfecting an organization so strong that by the use of the policeman's club, the jail sentence and sometimes the military, they could beat labor into submission. Both sides would lose. We would have sullen and unwilling workingmen, workingmen without loyalty, and with the loss of loyalty

comes loss of efficiency. America could not compete with the industries of Europe; American industry would perish, and the workingmen would go unemployed. Labor and capital would both lie idle.

Suppose that employes, under misguided leadership, should so organize as to beat employers into submission, what would be the result? Capital is timid, whether it be the dollar in the hands of the small capitalist or the million dollars in the hands of the larger capitalist. Capital always has fled at the first sign of danger and always will. No one will invest his money unless he feels a sense of security and earnestly believes that he will get a return upon his investment. Business is a tender plant; it grows only in sheltered places; it withers under the breath of an agitator and dies under adverse legislation.

### *IDLE DOLLARS MEAN IDLE MEN*

If employes should succeed under misguided leadership in beating their employers into submission, what would be the result? Your deposit boxes would be filled with idle dollars seeking safety in flight; your factories would be filled with idle wheels and machinery and your streets and highways would be filled with idle men hunting for work. Idle dollars mean idle men. The world is well off when there are two jobs for one man and labor is well off. The world is ill to do when there are two men for one job, and labor suffers grievously. Now, if we want continued prosperity in this country, let us create a situation that will produce two jobs for one man. Does the agitator produce two jobs for one man? Does the labor leader do it? To whom have they ever given employment and opportunity?

I believe I know why the world has tried to solve its problems by force. I believe



it is due to a mistaken conclusion that has vexed the world ever since Plato wrote "The Republic," a mistaken thought that has warped the judgment of mankind for thousands of years; it is a persistent belief that we can help one man by hurting another. It is a perfectly natural mistake; it is what I believe to be the world's greatest blunder.

### *TALL MEN*

We see the tall man go out into the orchard. He reaches far up into the tree and gathers the most fruit and the best fruit, and we all envy that man. Then we see the shorter men running around the bottom of the tree, competing with each other for the fruit that hangs low down, and we all sympathize with that shorter man. I do; and so do you; it is human nature to sympathize with the under dog. But sympathy does not feed anybody; you cannot solve problems by sympathy, problems must be solved up here, not down there. (Indicating the head and the heart.)

### *SYMPATHY*

Out on the Pacific Coast I heard of a young man who came back from the Army with one arm shot off and one leg shot off. He was standing on the street corner selling pumpkin pies, making an honest living. A good old Christian mother came along with a heart full of sympathy and poured it out to the young man. The young man stood there and listened, changed his position and listened awhile longer, rather impatiently. He finally turned to the good old Christian mother and said: "Madam, d—— your sympathy. Buy a pie!" (laughter and applause)

The mistake that the world has made, a mistake that grew out of this beautiful but mistaken sympathy, is that we thought that we could help those shorter men at the

bottom of the tree by chopping off the arms of the tall man who reached far up into the tree. Now let us see what will happen if you chop off the arms of the tall man. Just that much fruit rots in the top of the tree, nobody gets it. Suppose you chop them off until he can reach no higher than those below? He will run around the bottom of the tree, competing with the other short men for the fruit that hangs low down, while all the fruit in the top of the tree is lost.

### *WE ALL SERVE*

Here is what the world has overlooked; this tall man was given his long reach by Nature, or Nature's God, to serve those shorter men down below. He reaches up as far as he can into the tree because he is ambitious. God gave the average man ambition —every man who is worth anything to the world. This tall man reaches into the top of the tree and gathers all he possibly can; he eats the small amount that Nature permits one man to consume and he hands the surplus on down to those below, giving them employment and opportunity. When we chop off the tall man's arms, we cut off a part of the supply that would go on down to the shorter man. We hurt the man below more than we do the tall man.

We hear a great deal of senseless talk about equality these days. God did not believe in equality. If I had been making the world I would have made us all equal. All of the same height, all of the same capacity, all of the same strength of mind and body. I would have made everybody sing like Caruso. I would have made everybody write poetry like Edgar A. Guest. I would have had everybody a captain of industry, with an automobile and a chauffeur—I do not how how I would have managed about the chauffeur—but if I had made the world,



I would have made a mess of it. (laughter) If you could not outrun anybody, if you could not outsing anybody, if you could not outtalk anybody, if you could not make any more money than anybody else, if there was nothing in which you could excel, what the devil would you brag to your wife about when you went home? And when you destroy a man's opportunity to brag you have killed the joy of life. (laughter and applause)

### *SUICIDES*

Now God was wise. God knew and understood that equality would bring misery to the world. Did you ever stop to think how many Socialists commit suicide? They think they believe in equality, and from that thought, that belief in equality, springs misery and melancholy. Down in the Socialist colony in South America the records of the English courts on sworn testimony will show that the number of suicides was appalling. The daughter of Karl Marx committed suicide, and the son-in-law of Karl Marx also committed suicide. Not only will equality among men produce melancholy, but even the thought of equality will make men melancholy. God knew that, so He gave us different faculties, and in different degrees, for God knew that the very joy of living comes from struggling and striving for success.

### *GOD'S LAW OF COMPENSATION*

God made one man tall and another man short. He made a few men wise and most men "otherwise." He made one man fat and another man thin. There is no such thing as equality. He made just a few women beautiful—and all the rest of them more beautiful. There is always something to be jealous about, something to quarrel about, because

that is what gives zest and joy to life. There are a lot of pitilessly cruel things in Nature until we understand God's law of compensation. We can go out on the hillside and we will see a giant oak with its sturdy trunk and limbs spreading its leaves to the morning sun, the pride and joy of the forest. On the same hillside and in the same soil and under the same blue sky, we see another oak, scrawny and sickly, with its trunk gnarled and knotted, its limbs twisted and its leaves curled up, barely able to make a living. One of the pitiless cruelties of Nature. We overlook God's law of compensation. When the forest is swept by the raging storm it is the strong tree, with its sturdy trunk and limbs, that protects the weaker tree from being blown down—it is God's law of compensation. (applause)

Now, I wanted to be a tall man. I wanted to be six feet three, but Nature sawed me off at five feet seven. And yet I am not so badly off. Since I have been traveling around making these speeches, I have had to ride in Pullman trains, and when I look across the aisle and see the six footer folded up like a jack knife (laughter), while I am stretched out full length, I know that God's law of compensation is taking care of me. (laughter and applause) So I feel pretty well satisfied. But it seems like there is a lot of pitiless cruelty until we understand this law of compensation.

We try to do a lot of things we are not cut out to do. The successful man is the man who finds what his job is and goes at it, and learns it, whether it is to be a financier, a captain of industry, a musician, a poet, a painter, or a ditch digger. If it is ditch digging, let him dig his ditch straighter and deeper than anybody else, and he need not worry about the future. I tried for twenty



years to make my wife think that I could sing, but I only convinced one-half of the partnership. (laughter) That was not my job.

*CARUSO*

I was in the city of New York, a year ago, last March, when Caruso made his agreement to sing for $3000 a night.

Now, isn't it a pitilessly cruel thing that I, who love music, should be denied the genius of music? That is Caruso's job. I want to see if I can get this over clearly enough to make every man here see it. When God gives a man a talent, he compels that man to serve the world with that talent, and gives that man a reward in proportion to his service to the world. If the man refuses or neglects to serve the world with the talent given him, God has devised a plan by which that man is denied all compensation.

Now, do you get that? It is something the world has not understood. The Socialists never dreamed of it. I want to follow that out to the captain of industry. Caruso gets $3000 a night for his singing, but he has to sing to the world to make it. If Caruso had gone into his cellar, closed the door and sung to himself, he might have sung his head off, without making a nickel a night. The world fixes the value of his services. If he asks too much, we do not go.

God gives another man the genius of painting. Not every man can paint. They say all women can paint, and that most of them do. (applause) But did you ever hear of an artist, who painted a masterpiece and then hid it in a private deposit box? No; he cannot sell it and make a living that way; neither would he gratify his soul's ambition.

The artist puts his painting in the most conspicuous place, hoping that the multitude

will pass by and admire that picture. Thus he serves the whole world with his talent, and the world fixes the price. If he asks too much, we do not buy the picture.

### *EDGAR A. GUEST*

The same is true of the orator; it is true of the poet. I think the greatest poet that the world has so far produced is Edgar A. Guest. I say that because he sings these homely songs of the heart in a language that I can understand, one-syllable words.

Edgar A. Guest is a poet. I love poetry. I would like to write it myself, but I cannot. I tried twenty-seven years ago, it was the spring of the year—(laughter) but don't laugh—she took me seriously and she has been my wife ever since. Now, I cannot write poetry, because it is not my job, and I cannot paint pictures, because that is not my job. I would like to be an inventor, but I cannot, that is Edison's job. I taught school when I was a young man, from eighteen to twenty-eight. I was a success in the school room. That is my job. And so now when the shadows are falling to the East I have come back to my real job. I am teaching school today, and I expect to stay with it as long as health and my bank account hold out. (applause)

I am not rich, but when I am honest with myself and frank with you, I have to say that I am as rich as I deserve to be. The only reason I did not grow richer is because I spent money when I did not have to. How about you? And the only reason I did not rise higher is because I did my bit when I ought to have been doing my best. How about you? Here in this great open field of opportunity called America, its very soul vibrant with the largest measure of human liberty consistent with orderly government, every man carves out his own fortune, makes



his own way in the world, and if he fails it is because he did not find his job and stick to it.

I used to envy these captains of industry because I did not understand God's law of compensation. Now, God made the captain of industry, He gave him one per cent. of inspiration into which the Rockefellers, big and little, stirred ninety-nine per cent. of perspiration and so made themselves captains of industry, in order that they might serve the world.

It took me a long time to understand the law of compensation. In 1892, 1893, 1894, when I was reading Karl Marx's "Das Kapital," "Looking Backward" by Edward Bellamy, the "Seven Financial Conspiracies," Henry George's "Progress and Poverty," and all the other ghost stories I could get, they had me going south; it took me a year or two to think my way through it and out of it, and beyond it, and to discover that "isms" and "schisms" would not work. I thought we ought to divide up Rockefeller's wealth, but God does that every day, whether it is Rockefeller big or Rockefeller little. Every man who strives and saves will become a Rockefeller, small or large. He will ultimately reach the point where he gives employment and opportunity to those who have not yet started.

### *WHO IS YOUR FRIEND?*

The trouble is that the laboring man has been taught that the employer who gives him as much wages as any other man will give and enables him to raise his family and live, is his worst enemy, while the agitator, who takes that money away from him, pulls him off the job and keeps him from making a living, is his best friend. Nearly all the rich men of America were poor boys. Rockefeller got $9.00 a month on the farm.

He was twenty-five years old when he had saved $10,000. Charles M. Schwab began wheeling slag in an iron foundry. I could name big men of America for an hour, every one of whom started at the bottom.

That door of opportunity is open to the workingman; let the working man know it. Let him never forget that the capitalist of today sprang from the ranks of labor yesterday.

Now let us see how God compels the man to whom he has given genius for management to serve the world. The world has been inspired for all these years by the thought that we could make the poor man rich by making the rich man poor. We might as well try to make the weak man strong by making the strong man weak. We might as well attempt to make the sick man well by making the well man sick. You might shave all the hair from the seven heads of the seven Sutherland Sisters, but you could not make a solitary hair grow on a bald man's head. (laughter) No, that is not the remedy. All through the ages we have had poverty. It has persisted throughout the centuries because men have sought the wrong remedy.

The remedy for the man at the bottom, the short man, the poor man, is not to pull down the stronger man or the taller man, but the remedy is to unfold and develop the short man, the poor man, so that he can reach up for himself.

### *CHARITY*

What is handed down to us does us very little good; in fact it does us more harm than good. I practice charity, but I do not believe in it. I know that every time I give a man something, I am weakening his backbone, and if I do it often enough I destroy his



backbone and leave him nothing but the wishbone.

This world was not built up by tearing men down, but by building men up; and when the world turns its attention to the real remedy for poverty—the unfolding and development of the men who cannot reach—the men who have no ambition—the arousing of the fires of ambition to success in the men below—poverty will disappear from the earth.

### *OUR PET BLUNDER*

Here is the great mistake we have made in America for over thirty years. We saw the captain of industry, the man with a talent as rare as the genius of music or of art, the man who had vision to see into the future and open up new fields of activity for human endeavor, giving employment and opportunity to thousands of men who had not been given the genius of management. We saw the great manager bring the comforts and luxuries of life to us in greater abundance and at less cost, but in our prejudice and our spleen, we were blind to all but one thing, he was growing rich and powerful. So here in America we committed the monumental blunder of the world. We began to agitate and regulate and legislate the business man out of business and workingmen out of their jobs, and we thought we were reformers. (applause)

### *CALIFORNIA*

I think I have made 200 speeches in California that I would like to have blotted from the records, speeches where I recommended different means by which we would keep men from growing rich. Today I want them to grow rich; the richer they are the more men they will employ. The richer they are the greater service they will render to

the world. I want more capitalists and richer capitalists, and I want them to feel such security in the laws of the country, in the perfection and maintenance of organized society, in their freedom from the operation of agitators and demagogues, that they will rush their dollars into industry and create two jobs for one man.

### *REGULATE EVERYBODY*

I think we ought to repeal about 1,000 laws that we have passed in Washington that strangle and hamper the legitimate activities of men. And we ought to repeal about 10,000 that we have passed in California since Hiram Johnson was elected governor. Hiram is a good fellow, but he believes in regulation. We have what we call the Forty Fat Commissions out in California. If there is anybody in California who has not been properly regulated, he has been overlooked. I told them long ago, that California would go down in history as the keystone to the arch of half-baked ideas. Let us unshackle this giant America. Let us restore the freedom of the old America, the freedom that enabled the young man to look into the future with confidence, knowing that the only limitations to his achievements were the boundaries of his intellect and the measure of his energy. (applause)

### *ROCKEFELLER*

Let us get back to Rockefeller. This thought came to me one day. When Rockefeller made his first $1,000 God did not stretch his neck to enable him to wear a higher collar than he wore before; he can only wear a collar that reaches to his chin. I can do that myself. (applause) He can only wear one collar at a time, because God gave him only one neck. When he made



another $1,000 he could only wear one suit of clothes, and when he made still another $1,000 God did not stretch his stomach out of shape so that he could eat more bacon and beans. Rockefeller never wore more than one pair of shoes at a time in his life, for God gave him only two feet. Every man here can wear a collar that reaches to his chin if he wants to. Here is a great thought that the world has overlooked: "God, in His wisdom, has so limited the use of wealth that no man, however rich, can use more than his share." That is what the Socialist and the Bolshevist have overlooked. God gave this tall man with the genius for management, an ambition, love of achievement. When we talk about Rockefeller, we all call it greed; when we talk about ourselves, we call it ambition. (laughter) But this ambition of Rockefeller's caused him to put that $1,000 where? Right back into industry to make another thousand, and the moment he put it back into industry, he paid it out to labor. Labor got it, but labor doesn't know it. You gentlemen are doing the same thing. Every time you make another $1,000 you extend your plant or put it into some other enterprise, and the moment you do that, you pay it out for labor. Labor gets it, but labor doesn't know it.

### *LABOR GETS IT*

We must show labor that labor gets it. When Rockefeller made another $1,000 he put it back into industry and labor got that, and when you make another $1,000 you will put it back into industry, and labor will get that, but labor has not known it. Every day you are dividing your wealth under God's law of compensation. He compels you to serve the world with your genius of management. There are those who have not that genius and it is up to you under God's law

of compensation, whether you will or not, to take care of those men who have not been given the genius of management.

### *THOMAS A. EDISON*

Thomas A. Edison said another thing I never will forget. He said: "Sometimes I ask myself if I am not a consummate fool. I work 18 hours a day. What do I get out of it? If I make a dollar, I put it back into industry, I build another plant, pay it out to labor, labor gets it, I do not get it. Usually I borrow the dollar and build a factory in advance and run the risk of making it pay. I pay the money out to labor in advance, and what do I get out of it? All that I get out of it is three meals a day and a chew of tobacco."

### *CHAMPAGNE AND PALACES*

That is all that you or Rockefeller or any of us can get. Rockefeller could drink champagne, though he doesn't; he has no bad habits, no extravagance except attending the Baptist Church. But if Rockefeller had bought the champagne, labor must make the champagne first, and labor would get the money. If there is any profit in it, the profiteer will put the profit back into industry, and pay it back to labor. Rockefeller might build a fine home, but labor would do the work from the raw material in the bowels of the earth and the depth of the forest to the finished product, and labor would get the money. If there were any profit in building that house, the profiteer, spurred on by ambition, would put the money he made back into industry, and that money would be paid out to labor.

The trouble is that labor has not seen, and understood, and the trouble is that some of our employers have not been just.



### *SOCIALISM*

This story of Rockefeller cured me of Socialism. What more could Lenine and Trotzky do than to put the profit back into industry and pay it out to labor? If the government owned the Standard Oil Co., what more could it do than to put the profit back into industry and pay it out to labor? The trouble is that under Lenine there is no profit; under government ownership there is no profit.

Oh, I used to believe that the government ought to own everything and do everything, and that the people ought to own nothing and do nothing, and that we would all be happy. But eighteen years in politics taught me one thing. The political brain cannot manage industry. The sooner the world understands that the better. The political brain seeks popularity, not production. It must seek popularity or the other politician will beat him to it. The political brain gives suavity, smiles, handshakes, beautiful words. I succeeded in politics. I know the game.

But it is a rare thing to find the man with the stern, unyielding firmness that brings success in business, who at the same time has the suavity and the handshake and the oily tongue that succeeds in politics. The business brain seeks service, production; it has to or get out of the procession. The other business men will run him out. They are two different kinds of brain.

I clung tenaciously to the thought that the government ought to own the railroads and telegraphs and a few other things. Now I am cured of that. Under government management, we had the rottenest service at the highest price in the history of the railroad business. If the railroads make money,

they put it back into industry and pay it out to labor. No harm is done. The only man who does harm is the fellow who goes broke and cannot pay his bills. Yes, the miser does harm; he has his capital and his money out of use and the world is deprived of the use of it. But the miser never gets anywhere. Thirty to forty thousand dollars is his limit. We do not need to worry about him.

### *TWO KINDS OF WEALTH*

Now one final thought. The world has overlooked another great fundamental principle of political economy. Your political economists have not taught it; they have taught that there are two kinds of wealth, but they have not drawn the proper conclusion. There is a kind of wealth that I call consumable wealth; it is what we eat and wear, it is necessary to man's sustenance. It is tremendously important that that kind of wealth be widely distributed. That no man shall have more than his share, God, in His wisdom, has provided a scheme under which it is impossible for any man, however rich, to use more than his share of food, clothing, and the other necessities of life. Rockefeller, if he were ten times as rich, could not eat any more potatoes. This is God's plan of securing the widest possible distribution of consumable wealth.

Then we have another kind of wealth—productive wealth—the kind with which we produce and distribute consumable wealth—the farm, the factory, the railroad, the bank, the store. It is tremendously important that productive wealth be not equally divided, but that it be scientifically divided. How absurd to equally divide the railroads of the country! How absurd to equally divide the farms of the country! Through



six thousand years of historic human experience we have developed just the kind of plan that will secure the widest possible distribution of food stuffs, clothing and things that men need to live, and at the same time, the most scientific distribution of productive wealth with which consumable wealth is produced and distributed.

### *SCIENTIFIC DISTRIBUTION*

It is to the advantage of the world that the slovenly farmer, who produces only half a crop, should lose his farm, and that the skillful, industrious farmer next door should buy the poor farmer out. That is exactly the system that has reached its highest degree of development right here in America. Under our system, the chances are that the slovenly farmer will be bought out by the better farmer; that the storekeeper who sells poor goods at a high price will be run out of business by the one who sells better goods at a lower price, and he ought to be. Under this system that God has allowed to develop, the railroads will gradually swing to the management of the best railroad men, the farms to the best farmers, the stores to the best merchants. Under the system that has reached its highest degree of perfection in America, there is a constant tendency of productive wealth to find its way into the hands of the most skilled.

It would be as absurd to have productive wealth equally distributed among men, as it would be to have pianos equally distributed among men. Only a few men have been given the genius of music. Only a few men have developed the genius of management.

If you distributed pianos equally all over this country, only one in a hundred would be played. The farm must be in the

hands of a skillful farmer; the railroads must be in the hands of the skillful railroad men; and the stores must be in the hands of the merchants who render the greatest service to the community, by selling the best goods at the lowest price. And that is the system that we now have.

Let us forget this Godless Socialism, this murderous Bolshevism, this idiotic I. W. W.-ism, and let us inculcate Americanism of a finer and better quality. Let us set the world ablaze with Americanism. (The audience arose and applauded for several minutes.)

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